IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA Alexandria Division

In Re:)
MOHAMED A. EL RAFAEI) Case No. 20-12583 KHK
Debtor.) Chapter 11

CONSENT MOTION TO EXTEND DEADLINE TO ASSUME OR REJECT COMMERCIAL REAL PROPERTY LEASE

COMES NOW Mohamed A. El Rafaei, the Debtor and Debtor in Possession herein, and hereby files this Consent Motion to extend the deadline to assume or reject commercial real property lease, and states as follows:

- 1. This proceeding was commenced by a voluntary chapter 11 petition, filed on November 23, 2020 (the "Petition Date").
- 2. The Debtor is a debtor in possession. No trustee or creditors' committee has been appointed in this case.
- 3. The Debtor's meeting of creditors was held on December 9, 2020. No creditors participated in the meeting.
 - 4. The Debtor is an individual resident of the Commonwealth of Virginia.

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- 5. The Debtor owns interests in and operates two businesses; namely, a interior design and construction consulting business and a restaurant business, Cafe Concepts, LLC.
- 6. Cafe Concepts, LLC is a Virginia limited liability company, owned by the Debtor and another individual, Anis Rhanime. Each of the members own a 50% interest in the business.
- 7. Cafe Concepts, LLC was in the process of building out its space in early 2020 when the COVID pandemic began. The pandemic, together with the Debtor's financial difficulties, delayed the completion of the build-out and opening of the restaurant.
- 8. In an effort to raise the funds necessary to fund the completion of the build-out and launch of the new business, the Debtor decided to sell his families' home, in which he had significant equity. He listed the home in mid-2020. The Debtor secured a contract on the house, but closing was delayed and then, after the bankruptcy was filed, the prospective buyer terminated the contract.
- 9. Immediately following the Debtor's chapter 11 filing, he obtained a replacement contract. A motion for approval of the sale was filed and approved by the Court and the sale closed in January 2020.
- 10. The sale of the Debtor's home has enabled the Debtor to move forward with the completion of the build-out, with anticipated opening of the restaurant by early summer 2021.

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¹ In addition with the costs of the build-out, which the Debtor and his partner were sharing, and the slow down in the Debtor's other business brought upon by COVID, the Debtor became embroiled in expensive litigation with Hanan Khalil, a family friend and customer of the Debtor's construction consulting business, Design 2 Build, LLC.

- 11. Cafe Concepts, LLC is building out and will operate in leased commercial space located at 7787 Leesburg Pike, Vienna, Virginia (the "Leased Premises"). The Leased Premises is leased by the Debtor and Mr. Rhanime² from Adel Kebaish and MD/Tysons LLC (the "Landlord"), pursuant to a commercial real property lease, dated October 29, 2019 (the "Lease").
- 12. As a result of the delays in completing the build-out and opening of the restaurant and the Debtor's financial difficulties, the Debtor was unable to pay the rent for a number of months in 2020, resulting in a rent arrearage of approximately \$140,000.
- 13. Monthly rental payments have now been resumed and it is anticipated that rent will continue to be paid pending the opening of the restaurant.
- 14. The Debtor has been negotiating with the Landlord concerning lease arrearages and terms under which the Lease will be assumed. It is anticipated that the parties will agree to the repayment of the arrearages, in monthly installments, once the Lease is assumed and the restaurant opens.
- 15. The Debtor believes that he should wait to assume the Lease until he has a better idea of when the restaurant will open and begin generating revenue.
- 16. The deadline for assuming or rejecting the Lease is 120 days from the Petition Date, or March 23, 2021.
- 17. By this Consent Motion, the Debtor seeks a 150 day extension of the deadline to assume or reject the lease.
 - 18. The Landlord is agreeable to the requested extension.

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² There is a degree of ambiguity in the Lease in that the lessee is identified as "Mohamed Elrafaei & Anis Rhanime doing business as Cafe Concepts, LLC" and Mr. El Rafei is identified as the personal guarantor of the Lease. Out of an abundance of caution, this Motion is being filed in the event the Debtor is deemed to be the lessee (or one of the lessees) under the Lease. This ambiguity will be resolved and the Lease clarified upon assumption of the Lease.

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19. An extension of the deadline to assume or reject the Lease is justified under the circumstances of this case and in the best interest of the Debtor, his creditors and his estate.

20. Notice of this Consent Motion has been provided to all creditors and parties in interest on February 24, 2021.

WHEREFORE, based upon the foregoing, the Debtor respectfully requests entry of an Order extending the deadline to assume or reject the commercial real property lease with Adel Kobeish and for such further relief as this Court deems just and proper.

Dated: February 24, 2021 Respectfully submitted,

Mohamed A. El Rafaei

By Counsel

/s/ Christopher L. Rogan
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Agreed:

Landlord:

MD/Tysons LLC

By: <u>/s/ Adel Kebaish</u> Adel Kebaish, Manager

/s/ Adel Kebaish Adel Kebaish

CERTIFICATE OF SERVICE

I hereby certify that, on this 24th day of February 2021, a true and accurate copy of the foregoing Motion was served, via ECF on all parties requesting notice and on the Office of US Trustee, via Email.

/s/ Christopher L. Rogan Christopher L. Rogan, Esq.